



# **PSC NEWS**

## **Missouri Public Service Commission**

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**FOR IMMEDIATE RELEASE**

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### **PSC Approves AmerenUE Request**

JEFFERSON CITY—The Missouri Public Commission has approved a request filed by Union Electric Company d/b/a AmerenUE to acquire the lease of a 640-megawatt facility in Audrain County near Vandalia, Missouri.

The NRG Audrain Facility consists of eight natural gas fired combustion turbine generator units with a combined nameplate capacity of 640 megawatts. Audrain County owns the facility, and leased it to NRG Generating as part of a Chapter 100 financing arrangement, which allows NRG Generating, or any other lessee, to operate that facility without being responsible for ad valorem property taxes.

In its December application, AmerenUE asked for Commission permission to assume a lease that NRG Audrain Generating LLC holds in Audrain County's NRG Audrain Facility. AmerenUE had entered into an asset purchase and sale agreement with Audrain Holding, LLC and NRG Audrain Generating LLC. That contract would allow AmerenUE to acquire the rights and obligations that NRG Generating holds in the NRG Audrain Facility under a lease with Audrain County.

In a February 17, 2006 filing, the PSC Staff recommended approval stating the proposed transaction would not be detrimental to the public interest. In fact, the PSC Staff stated the transaction would be in the public interest because of the approximately \$2 million in annual property tax savings that AmerenUE would realize, which could be passed on to AmerenUE customers in the form of lower rates.

According to AmerenUE, the company needs the additional capacity that the NRG Audrain Facility would supply to meet a prudent level of reserves for the summer of 2006.